



**NORTH CAROLINA
OFFICE OF THE GOVERNOR**

DRAFT
MEMORANDUM

Sitdown with Triangle, Triad and Charlotte Biz Journals

TO: Kristi Jones
FROM: Sadie
SUBJECT: Interview with Triangle, Triad and Charlotte Biz Journals
COPY: Carol Young, Eric Wilson

REPORTER AND OUTLET:

- Dane Huffman, managing editor, Triangle Business Journal
- Lauren Ohnesorge, senior staff writer, Triangle Business Journal
- Erik Spanberg, senior staff writer, Charlotte Business Journal
- Ashley Fahey, staff writer, Charlotte Business Journal

TOPIC: Issues relevant to the business community – economic development, education, workforce readiness, health care

INTERVIEW DATE: Friday, March 23, 2018

INTERVIEW TIME: 2 – 2:45 pm

INTERVIEW LOCATION: Mansion

IN-PERSON or PHONE: In person

LIVE OR RECORDED (if radio): The Business Journals will have a videographer there. Snippets of the interview will be posted online.

BACKGROUND: Sougata Mukherjee, editor of the Triangle Business Journal, has asked for the Business Journals to have a sitdown with the Governor to cover a range of topics important to North Carolina's business community.

SUGGESTED TALKING POINTS

The following topics are likely for discussion:

Amazon

- North Carolina is still in the hunt for Amazon because we repealed HB2.
- We have a lot of factors in our favor when you look at what Amazon wants for their HQ2:
 - Workforce – Between our research universities, our HBCUs and our community college system, we have the workforce Amazon needs.
 - Diversity – Tech companies have a real need to improve their diversity, and we have more HBCUs than any other state in the country.
 - Quality of Life – We’ve long been a desirable state because of the great quality of life here – affordable cost of living, close to the mountains and the beach. In recent years, we’ve got an added “hip factor” that is hard to beat. Look at our award-winning chefs, our craft breweries, greenways and parks.

ACP

- The Atlantic Coast Pipeline answers an energy need for North Carolina and moves our state away from high-pollution alternatives like coal-fired power plants.
- Through the regulatory process, state officials have taken rigorous steps to ensure safe construction and preserve clean water and the integrity of communities along the pipeline.
- With increased access to natural gas, we can recruit jobs, economic development, and growth where our state needs it most.
 - But many economic developers and local leaders in eastern North Carolina are concerned that without gas extension lines off the main pipeline, they wouldn’t reap the economic benefits of the pipeline.
 - Those extensions are expensive, which is why we worked to establish a new fund that could be used for gas extension lines.
 - It could also have been used for renewable energy projects – which are good for the environment and the economy.
 - Unfortunately, legislative Republicans raided that fund in a political power grab.

- They have indicated they are open to funding those gas extension lines, and I hope they figure out a way to help eastern North Carolina instead of hurting them.

CSX

- I believe in Eastern North Carolina and I think it's the right place for CSX.
- CSX had a change in leadership and they moved away from the hub and spoke model. The Rocky Mount facility was intended to be a hub.
- State officials are working with CSX to see what can work for both parties to bring a facility that may be less than a hub, but more than a terminal.

Workforce Readiness

- Workforce readiness is the key to our economic development success.
- When I'm recruiting companies to locate here, the first thing they ask is whether North Carolina has the workforce to fill the jobs they will create.
- I've made workforce and job readiness the priority, and we have to get innovative and creative in thinking about how we train people for the jobs of today and tomorrow.
- I am working on my budget recommendations and workforce is a key area of focus.
- See attached press release on *NC Job Ready* for more

Taxes

- Wealthy people in North Carolina don't need more tax cuts. But teachers need more pay raises. And schools need more resources.
- If our state continues to give tax benefits to the top earners, it will tie our hands and cripple our ability to invest in things like education.

Medicaid Expansion/Closing the Coverage Gap

- In North Carolina we have a health care coverage gap. There are hundreds of thousands of people who make too much to qualify for Medicaid, but not enough to afford insurance on the private market.
- There is a way we can close that coverage gap to help people stay healthier while also boosting our economy. And it wouldn't cost the state anything.
- If we expand Medicaid, it would create 43,000-plus jobs in the first five years.
- Half a million more North Carolinians could get health care coverage – including 150,000 with opioid-use disorder.
- (see attached handout for more)

On work requirement:

Most of the people who would qualify for expanded Medicaid are already working. I have serious concerns about a work requirement, but I am glad that some House Republicans support increased access to Medicaid with a work requirement.

Toyota

- It was disappointing not to get Toyota. Ultimately, we just didn't have their supply chain in the right places.
- But it's a big deal that we came as close as we did, and I'm confident that we will land something great for that megasite.
- We now know what we need to do to get the site more prepared to host a new employer, and that will help us land the next big thing.

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